

LEVENFELD PEARLSTEIN, LLC  
Bryan I. Schwartz (ARDC #6192739)  
James G. Martignon (ARDC #6277974)  
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Suite 1300  
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Telephone: (312) 346-8380  
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*Counsel for KL Industries, Inc.*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----	:	Chapter 11
In Re:	:	
	:	Case No. 05-44481 (RDD)
DELPHI CORPORATION, <u>et al.</u> ,	:	
	:	(Jointly Administered)
Debtors.	:	
-----	:	

**NOTICE OF RECLAMATION DEMAND OF KL INDUSTRIES, INC.**

Please be advised that a Notice of Reclamation Demand on behalf of KL Industries, Inc. was delivered by email to Debtor's counsel, John William Butler of Skadden, Arps, Slate, Meagher & Flom LLP on October 14, 2005 and by overnight mail on both Debtor, Delphi Corporation, and its counsel on October 14, 2005. A true and correct copy of the Notice of Reclamation Demand is attached hereto as Exhibit A and incorporated herein by reference for all purposes.

Dated: October 14, 2005

**LEVENFELD PEARLSTEIN, LLC.**

By: 

Bryan I. Schwartz (ARDC #6192739)

James G. Martignon (ARDC #6277974)

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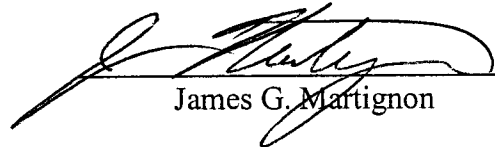
Counsel for KL Industries, Inc.

**CERTIFICATE OF SERVICE**

Under penalties of perjury as proved in 28 L.L.C. §1746, the undersigned certifies that she caused a copy of the foregoing *Notice of Reclamation Demand of KL Industries, Inc.* to be served by email on William W. Butler, Jr. Esq. at the email address of [jbutler@skadden.com](mailto:jbutler@skadden.com) and that she further caused a copy of the foregoing *Notice of Reclamation Demand of KL Industries, Inc.* to be served via overnight delivery (FedEx Priority Service) on:

Robert T. Andary  
Delphi Corporation  
5725 Delphi Drive  
Troy, MI 48098

John W. Butler, Jr., Esq.  
Skadden Arps Slate Meagher & Flom, LLP  
333 W. Wacker Drive  
Suite 2100  
Chicago IL 60606

  
James G. Martignon

**LEVENFELD PEARLSTEIN, LLC**

WWW.LPLEGAL.COM

**James G. Martignon**

312.476.7584

JMARTIGNON@LPLEGAL.COM

Chicago Office



October 14, 2005

**Via FedEx**

Robert T. Andary  
Delphi Corporation  
5725 Delphi Drive  
Troy, MI 48098

**Via FedEx and Email (jbutler@skadden.com)**

John W. Butler, Jr., Esq.  
Skadden Arps Slate Meagher & Flom, LLP  
333 W. Wacker Drive  
Chicago IL 60606

Re: **Delphi Corporation**  
**Case No. 05-44481**  
**NOTICE OF RECLAMATION**

Dear Sirs:

Please be advised that our firm represents KL Industries Inc. THIS IS A NOTICE OF RECLAMATION transmitted to you pursuant to Section 2-702 of the Uniform Commercial Code and Section 546(c) of the Bankruptcy Code in connection with the above Chapter 11 case filed October 8, 2005, in the United States Bankruptcy Court for the Southern District of New York.

KL Industries Inc. has shipped to Delphi Corporation and its affiliates (collectively, "Delphi") various product ("Product") in the approximate amount of \$11,469.30 within the time period permitted for such reclamation. Attached to this demand is a summary of the Products and amounts evidencing this debt. Please note that the "Date Shipped" is the actual date the Products were received by Delphi, as evidenced by the corresponding bills of lading. Copies of the invoices and bills of lading can be supplied on request. As of this date, Delphi has not remitted payment for these goods.

Demand is hereby made on Delphi to segregate the Products listed in the attached summary and to immediately return all of the Products to KL Industries Inc. or, in the alternative, to stipulate and agree to an administrative claim in the amount of \$11,469.30 in favor of KL Industries Inc.

KL Industries Inc. reserves the right to amend and supplement this Reclamation Notice (including filing additional evidence in support of this Reclamation Notice) or to file additional reclamation notices or claims, including without limitation, all other claims at law or in equity. KL Industries Inc. also reserves all rights accruing to it, and the filing of this Reclamation Notice is not intended to be and shall not be construed as: (1) an election of remedy; (2) a waiver of any past, present or future defaults or events of default; or (3) a waiver or limitation of any rights of KL Industries Inc.

Robert T. Andary  
John W. Butler  
October 14, 2005  
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We look forward to working with you to resolve this matter.

Very truly yours,



James G. Martignon

Enclosure

cc: Greg Wilhite  
Bryan I. Schwartz

DELPHI CHASIS SYSTEMS  
3100 NEEDMORE ROAD  
PLANT 5 DOCK 99  
DAYTON, OHIO 45401

DATE SHIPPED	INVOICE/BILL NUMBER	PART NUMBER	PRODUCT DESCRIPTION	QUANTITY	PRICE/EA	INVOICE VALUE
10/7/2005	164535	18021674	SPRING	700	\$ 0.14000	\$ 98.00

DELPHI CHASIS SYSTEMS  
C/O COLUMBIA IND SALES  
2501 THUNDERHAWK COURT  
DAYTON, OHIO 45414

DATE SHIPPED	INVOICE/BILL NUMBER	PART NUMBER	PRODUCT DESCRIPTION	QUANTITY	PRICE/EA	INVOICE VALUE
9/30/2005	164299	22206202	SPRING	2,000	\$ 0.64000	\$ 1,280.00
9/30/2005	164299	22206201	SPRING	5,600	\$ 0.37500	\$ 2,100.00
10/5/2005	164415	22073251	ARM ASSEMBLY	4,000	\$ 0.37500	\$ 1,500.00

DELPHI HARRISON THERMAL  
LOCKPORT PLANT  
200 UPPER MOUNTAIN ROAD  
PLANT 2 WEST PLANT BLVD 7  
LOCKPORT, NY 74094

DATE SHIPPED	INVOICE/BILL NUMBER	PART NUMBER	PRODUCT DESCRIPTION	QUANTITY	PRICE/EA	INVOICE VALUE
9/29/2005	164142	52458793	SPRING CLIP	25,000	\$ 0.01200	\$ 300.00
9/30/2005	164268	3049652	HEX STAMPING	12,000	\$ 0.07900	\$ 948.00
10/6/2005	164405	3049652	HEX STAMPING	15,000	\$ 0.07900	\$ 1,185.00

DELPHI SAGINAW STEERING  
DELPHI AUTOMOTIVE SYSTEM  
3900 EAST HOLLAND ROAD  
PLANT 6  
SAGINAW, MI 48601-9494

DATE SHIPPED	INVOICE/BILL NUMBER	PART NUMBER	PRODUCT DESCRIPTION	QUANTITY	PRICE/EA	INVOICE VALUE
10/4/2005	164341	7828023	SPRING	1,200	\$ 0.30000	\$ 360.00

DELPHI E & C FLINT EAST  
4134 DAVISON ROAD  
DOCK E101605  
FLINT, MI 48556

DATE SHIPPED	INVOICE/BILL NUMBER	PART NUMBER	PRODUCT DESCRIPTION	QUANTITY	PRICE/EA	INVOICE VALUE
9/29/2005	164139	25043286	LATCH ASSBLY	7,200	\$ 0.50000	\$ 3,600.00

DELPHI E & C FLINT EAST  
PLANT 2, DOCK E101100  
2926 DAVISON ROAD  
FLINT, MI 48556

DATE SHIPPED	INVOICE/BILL NUMBER	PART NUMBER	PRODUCT DESCRIPTION	QUANTITY	PRICE/EA	INVOICE VALUE
9/30/2005	164230	25027567	SPRING	1,000	\$ 0.09830	\$ 98.30